

REGULAR CITY COUNCIL MEETING

JANUARY 28, 1985

PRESENT

Grant S. Nielson
Don Dafoe
Neil Dutson
Gayle Bunker
Ruth Hansen
Craig Greathouse

Mayor
Council Member
Council Member
Council Member
Council Member
Council Member

ABSENT

None

OTHERS PRESENT

Jim Allan
Warren Peterson
Dorothy Jeffery
Doyle Bender
Jim Fletcher
Garry Melugin
Ray Smith
John Quick
Dave Clark

City Manager
City Attorney
City Recorder
City Treasurer
KNAK Radio Station
Manager, Petrolane Gas
Westside Grading
City Engineer
President, Chamber of Commerce

Mayor Grant Nielson called the meeting to order at 7:00 p.m. and stated that notice of the meeting time, place and agenda were posted at the principal office of the governing body, located at 76 North 200 West, and was provided to the Millard County Chronicle Progress, the Millard County Gazette, the local radio station, KNAK, and to each member of the City Council by personal delivery two days prior to the meeting.

MINUTES

The minutes of a Public Hearing held January 7, 1985, were presented for the Council's consideration and approval. Following a brief discussion of the minutes, Council Member Ruth Hansen MOVED that the minutes be approved as presented. Council Member Gayle Bunker SECONDED the motion. The motion passed unanimously.

The minutes of a regular City Council meeting held January 7, 1985, were presented for the Council's consideration and approval. Following a brief discussion of the minutes, Council Member Craig Greathouse MOVED that the minutes be approved as corrected. The motion was SECONDED by Council Member Don Dafoe. The motion carried unanimously.

ACCOUNTS PAYABLE

Copies of the accounts payable to be presented for the Council's consideration and approval had been distributed to the Council members prior to the meeting. Following a general discussion of the accounts payable, Council Member Neil Dutson MOVED that the accounts payable be approved for payment with the exception of the Utah Power & Light bill for the regional park in the amount of \$1219.54. The motion was SECONDED by Council Member Craig Greathouse. Mayor Nielson asked if there was any further discussion or comments regarding the accounts payable. There being none, he called for a vote on the motion, which carried unanimously.

MAYOR GRANT S. NIELSON: APPOINTMENT OF THE BOARD OF APPEALS FOR THE PURPOSE OF HEARING BUILDING CODE VIOLATIONS

Mayor Nielson reminded the Council that at the last regular City Council meeting they had instructed him to check with some persons he felt would qualify for Building Code Board of Appeals. He then presented the following names and recommended they be appointed to the Board of Appeals:

Council Member Gayle Bunker as Chairman
Mark Losee as a member
Dee Church as a member
Bent Mork as a member

Mayor Nielson further stated he had spoken to each of these gentlemen and they had all agreed to serve on the Board of Appeals if appointed.

Council Member Ruth Hansen MOVED that the Council appoint the above-mentioned persons as members of the Board, with Gayle Bunker as Chairman. The motion was SECONDED by Council Member Neil Dutson. Mayor Nielson then asked if there were any further comments or questions regarding the motion. There being none, he called for a vote on the motion, which carried unanimously.

CITY ENGINEER JOHN QUICK: REVIEW OF STREET IMPROVEMENT PROJECT AND PRIORITIZING STREETS TO BE IMPROVED

City Engineer John Quick displayed a map of streets within the Delta City limits that he suggested be included in the street improvements project. Mr. Quick reviewed certain streets with the Council as follows:

Center Street and 100 West Street are major streets going north and south. Both of these streets are in good shape. There is a need for a street further east and one further west that can be used as collector streets. Main Street is in good shape. There is a possible need for street improvement on the streets on either side of main street, one on the north side and one on the south side to be used as major collector streets. Fifth West is in good shape, and has been chip sealed several times in the past year.

Council Member Ruth Hansen suggested 200 East be one of the streets to be improved, as it is in serious need of repair, especially by the IGA store immediately south of Main Street. The cost of improving the streets is approximately \$26,760 per each block of street improved, Mr. Quick said.

Council Member Craig Greathouse suggested 200 North from Center Street east to 350 East should be included in the street improvement project. Mayor Nielson suggested 200 North going east to 350 East should be included in the improvement project.

Mr. Quick stated the plans include covering the existing open drain on 200 South from 100 East to 200 East.

The Council requested that Ray Smith, who was present, address the Council and explain to them the difference and his preference between a hot mix and a cold mix asphalt paving material. Mr. Smith then reviewed with the Council the benefits of both the hot mix and the cold mix and the time of year that the different mixes were most profitable to use.

Following further discussion of the different streets and problem areas of streets in the Delta City limits, it was the opinion of the Council and City Engineer John Quick that the following streets should have priority in the street improvement project:

1. 200 North (100 West to 350 East)
2. 200 North (100 West to 200 West)
3. 200 North (200 West to 300 West)
4. 200 South (300 West to 200 East)
5. 200 East (Main to 200 South)
6. 300 West (Main to 200 North)
7. 300 West (Main to 400 South)
8. 100 South (300 West to 100 West)
9. 100 North (200 West to 300 West)
10. 450 South (Center to 100 West)
11. 50 North (200 West to 300 West)

CHAMBER OF COMMERCE PRESIDENT DAVID CLARK: REVIEW AND DISCUSSION OF MONIES
FOR MILLARD COUNTY INDUSTRIAL DEVELOPMENT ASSOCIATION

Mr. David Clark expressed appreciation in behalf of the Delta Area Chamber of Commerce for the City's support in the past on the various projects the Chamber has undertaken. Mr. Clark then explained he had been asked to address the Council on behalf of the Millard County Industrial Development Association as a follow-up to a Council meeting that was held approximately 3½ months ago. At that meeting, there was a discussion regarding the Millard County Industrial Development organized on a county-wide basis to bring new industry to the area to help fill the void when the IPP construction is complete. However, the Industrial Development organization has outgrown anything the Chamber can afford. The organization met with the Millard County Commission and was told the Commission was impressed with the concept of the Industrial Development program, but felt it should be

expanded and requested that the Industrial Development organization represent all of Millard County.

Mr. Clark then explained the group has been organized into a separate organization from the Delta Area Chamber of Commerce. There are three members from the Fillmore area and three from the Delta area. Jack Nelson is the chairman. Mr. Clark stated they have approached each of the incorporated communities within Millard County and requested support at \$1.00 per resident for each community. We have also asked support at \$1.00 per resident from Millard County. Millard County has committed \$15,000 to the Industrial Development organization. Each of the communities that have been approached have either given the monies to the organization, or a commitment.

Mr. Clark then asked the City Council if the City would commit \$1.00 per resident to the Industrial Development Association for the purpose of soliciting new industry to the area. Council Member Don Dafoe stated he had been informed there were some problems with Millard County donating tax monies into the organization and asked if that problem had been resolved. Mr. Clark stated the other smaller communities have issued a check to the organization; however, Millard County has requested that the organization present invoices for expenditures and Millard County will then issue a check to cover those invoices up to the agreed amount of \$15,000.

Following further discussion of the activities and goals of the organization, it was the opinion of the Council that the Industrial Development Association is a very worthwhile organization and is needed in our area. Mayor Nielson then asked Attorney Peterson to address the legal aspect of the City's donation to the association. Attorney Peterson suggested that the City contract for services from the association. Attorney Peterson further suggested that rather than a donation, the funding be a transfer of funds under such a contract. The contract would require that the Industrial Development Association would promote industrial development in Millard County. Attorney Peterson also suggested a budget be prepared by the association to be attached to the proposed contract and become a measurement for fulfillment of said contract.

Council Member Craig Greathouse then MOVED that the City instruct Attorney Peterson to prepare a contract between Delta City and the Millard County Industrial Development Association for the purpose of promoting industrial development in the Millard County area. The contract should not exceed the amount of \$6,000. The motion was then SECONDED by Council Member Gayle Bunker. Mayor Nielson asked if there was any further discussion or comments regarding the motion. There being none, he called for a vote on the motion, which carried unanimously.

CITY MANAGER JIM ALLAN: OPEN AND ACCEPT BIDS FOR PROPANE FOR DELTA CITY

City Manager Jim Allan informed the Council that three bids had been received to supply propane gas for Delta City. Mayor Nielson then asked City Recorder Dorothy Jeffery to open and read the three bids. The following bids were then read:

Petrolane Gas	74.5¢/gallon
Dixo Gas	69.9¢/gallon
Lake Philgas	77.0¢/gallon

Council Member Craig Greathouse asked Mr. Garry Melugin, manager of Petrolane Gas Service, and the only bidder represented at the meeting, to explain the procedure used in preparing bids for propane. Mr. Melugin stated that normally a company does not give a firm bid on propane because of the fluctuation on the delivered cost of the product to the supplier for obtaining the propane. Normally in bidding propane, he said, it is bid on the delivered price. He explained that if the delivered price goes up, the cost to the customer goes up. If the delivered price goes down, the price to the customer goes down.

Council Member Neil Dutson suggested that the City solicit bids for propane on a quarterly basis. Council Member Craig Greathouse asked Mr. Melugin how frequently the price is changed. Mr. Melugin said that up until the last eight months, the price has fluctuated quite frequently, but has stabilized in the last few months. The price has increased only two or three times this past winter. In prior years there was an increase almost every month. Now that the price of propane and natural gas has been de-regulated, the price has started to stabilize, he said.

Following further discussion of the three bids, Council Member Don Dafoe MOVED to accept the low bid from Dixo Gas of 69¢ per gallon for the calendar year of 1985 with an estimated usage of 7500 gallons of propane. The motion was SECONDED by Council Member Craig Greathouse. Mayor Nielson then asked if there were any further questions or comments regarding the bid and the motion. Attorney Peterson suggested an inquiry be made on the Dixo Gas bid. He said that if it is a conditional bid, as the bid states, on delivery of 7500 gallons of propane, then if the City's usage is less than 7500 gallons, the City does not want to be obligated to purchase the aforementioned 7500 gallons of propane.

Council Member Don Dafoe stated he felt the City would use at least 7500 gallons of propane between the shop and the city building tanks. Mayor Nielson recommended the acceptance of the bid be subject to City Manager Jim Allan verifying the 7500 gallon quote and ask Dixo Gas to commit to a percentage above their cost of the product during the term of the supply contract.

Following further discussion, Mayor Nielson asked for a vote on the motion. The motion carried unanimously.

Mayor Nielson then thanked Mr. Garry Melugin for his information and comments regarding the propane bids.

PUBLIC WORKS SUPERINTENDENT, NEIL FORSTER: CAPITAL EQUIPMENT FOR REMAINDER OF BUDGET FOR CAPITAL ITEMS FOR WATER, SEWER, STREETS AND AIRPORT and DEPARTMENT UPDATE

Mayor Nielson explained to the Council that Item B on the agenda, Public Works Director Neil Forster: Capital Equipment for Remainder of Budget for Capital Items for Water, Sewer, Streets, and Airport, and also Item C, Public Works Director Neil Forster: Department Update, would not be discussed at this meeting due to Mr. Forster being unable to attend the meeting.

CITY ATTORNEY WARREN PETERSON: RESOLUTION FOR FINAL APPROVAL OF RANCHO MOBILE HOMES ANNEXATION

Attorney Peterson informed the Council that Rex Day has now completed the water dedication required for annexation of Rancho Mobile Home Park. The City has received a deed and the deed has been recorded conveying 125.40 acre feet of annual water rights to Delta City. Public Works Director Neil Forster has reported that all public improvements requirements have been completed at the Rancho Mobile Home Park with the exception of a water fountain. Mr. Peterson said the developer reported that the water fountain was raised from the original 6-inch height to full height; however, someone has broken the fountain off, so Mr. Day has hired a brick mason to brick up the pedestal to protect the stand pipe. Mr. Day was to call the City offices prior to this Council meeting and let the City know if this work had been completed, he said, so that a final inspection could be made. Mr. Peterson said no call was received from Mr. Day, therefore no Council action can be taken for the final approval of Rancho Mobile Homes annexation at this meeting.

Attorney Peterson then suggested this item be placed on the next regular City Council meeting agenda.

ATTORNEY WARREN PETERSON: REVIEW OF DELTA CITY BUSINESS LICENSE ORDINANCE

A copy of the business license ordinance had been given to each Council member prior to the Council meeting, to allow time for study of the document. Attorney Peterson told the Council there had been a number of questions regarding the business license ordinance. The following is a list of the questions discussed.

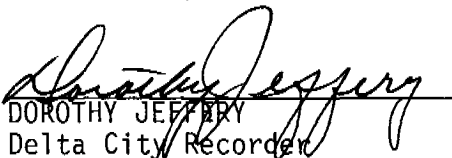
1. In home business. For example, babysitting or day care business that may take in 2-4 children. Should they be required to purchase a \$50 per year license?
2. Hobby businesses. For example, a photographer who does very few engagements per year.
3. Small door-to-door sales persons. For example, Avon, Amway, Shaklee, Fuller Brush, etc.

4. Home parties. For example, Tupperware, interior decorating, lingerie, cosmetics, etc.
5. Sewing clothing in the home. People who supplement their income by doing sewing for other people in their home.
6. Signs placed on the homes to advertise their in-home business and modifying the home to accommodate the in-home business. For some of these businesses, a \$50 per year license, which is required by the City ordinance, is a large percentage of their profit for the year so some businesses are avoiding payment of the fee.
7. Businesses selling in Delta, but their sales tax being reported in another area; therefore, Delta does not receive the sales tax.
8. Out-of-town businesses performing services within the City limits.
9. Enforcement practices relating to in-home businesses.
10. Businesses purportedly working under established business licenses within Delta. Should these businesses be allowed to sell under the business license of the established business?
11. Itinerant merchant. Are the present fees and restrictions suitable?
13. The fee schedule. There was some discussion regarding a survey completed by Delta Area Chamber of Commerce two years ago on the Delta City fee schedule.
14. Zoning for in-home business.

Following further discussion, it was the opinion of the Council that further review must be completed prior to any Council action being taken on this issue.

Mayor Nielson then asked if there were any further comments or items to be discussed. There being none, Council Member Don Dafoe MOVED the meeting be adjourned. Council Member Neil Dutson SECONDED the motion. Meeting adjourned at 10:00 p.m.

Attest:


DOROTHY JEFFERY
Delta City Recorder


GRANT S. NIELSON, Mayor

MINUTES APPROVED: May 6, 1985